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## Summary of Consolidated Financial Statements for the Year Ended March 31, 2022



[Prepared on the basis of Japanese Generally Accepted Accounting Principles (GAAP)]

May 16, 2022

Corporate name : Alfresa Holdings Corporation  
 Stock exchange listing : Prime Market of Tokyo Stock Exchange  
 Stock code : 2784  
 URL : <https://www.alfresa.com/>  
 Representative : Ryuji Arakawa, Representative Director & President  
 Contact person : Takashi Sasaki, Executive Officer, General Manager, Financial Planning Department  
 TEL : +81-3-5219-5102

Scheduled date for Annual General Meeting of Shareholders : June 28, 2022  
 Scheduled dividend payment date : June 7, 2022  
 Scheduled date for filing the Annual Securities Report : June 28, 2022  
 Supplementary explanatory materials : Yes  
 Financial results meeting : Yes (for institutional investors and analysts)

(Rounded down to the nearest million yen)

### 1. Summary of consolidated financial results for FY2021 (April 1, 2021 - March 31, 2022)

(1) Consolidated operating results (Percentages indicate changes over the previous fiscal year)

|        | Net sales |   | Operating income |   | Ordinary profit |   | Profit attributable to owners of the parent |   |
|--------|-----------|---|------------------|---|-----------------|---|---|---|
|        | ¥ Million | % | ¥ Million        | % | ¥ Million       | % | ¥ Million                                   | % |
| FY2021 | 2,585,643 | — | 29,091           | — | 32,576          | — | 32,182                                      | — |
| FY2020 | 2,610,427 | — | 27,929           | — | 31,918          | — | 24,501                                      | — |

Note : Comprehensive income : FY2021 ¥ 8,461 million [—%] FY2020 ¥ 27,119 million [—%]

\*The percentage of changes over the same period of the previous fiscal year is not shown due to application of the Accounting Standard for Revenue Recognition and changes in the presentation. Please see page 1 of a document "Financial Results Summary for the Year Ended March 31, 2022," for details.

|        | Earnings per share of common stock |         | Return on equity | Ratio of ordinary profit to total assets | Ratio of operating income to net sales |
|--------|------------------------------------|---------|------------------|--|--|
|        | Basic                              | Diluted |                  |  |  |
|        | Yen                                | Yen     | %                | %  | %                                      |
| FY2021 | 153.57                             | —       | 6.7              | 2.5                                      | 1.1                                    |
| FY2020 | 115.75                             | —       | 5.1              | 2.4                                      | 1.1                                    |

Reference : Equity in loss of affiliate : FY2021 ¥ — million FY 2020 ¥ — million

(2) Consolidated financial position

|                      | Total assets | Net assets | Owners' equity ratio | Net assets per share |
|----------------------|--------------|------------|----------------------|----------------------|
|                      | ¥ Million    | ¥ Million  | %                    | Yen                  |
| As of March 31, 2022 | 1,303,991    | 471,835    | 36.2                 | 2,330.36             |
| As of March 31, 2021 | 1,316,658    | 489,957    | 37.2                 | 2,313.66             |

Reference : Owners' equity : As of March 31, 2022 ¥ 471,593 million As of March 31, 2021 ¥ 489,736 million

## (3) Consolidated cash flows

|        | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Ending balance of cash and cash equivalents |
|--------|--------------------------------------|--------------------------------------|--------------------------------------|---|
|        | ¥ Million                            | ¥ Million                            | ¥ Million                            | ¥ Million                                   |
| FY2021 | 36,546                               | 2,304                                | (29,151)                             | 179,108                                     |
| FY2020 | (21,191)                             | (4,732)                              | (14,472)                             | 169,060                                     |

## 2. Dividends per share of common stock

|                   | Dividends per share |       |     |          |           | Total amount of dividends | Dividend payout ratio | Dividend on equity |
|-------------------|---------------------|-------|-----|----------|-----------|---------------------------|-----------------------|--------------------|
|                   | 1Q                  | 2Q    | 3Q  | Year-end | Full-year |                           |                       |                    |
|                   | Yen                 | Yen   | Yen | Yen      | Yen       | ¥ Million                 | %                     | %                  |
| FY2020            | —                   | 26.00 | —   | 27.00    | 53.00     | 11,218                    | 45.8                  | 2.3                |
| FY2021            | —                   | 27.00 | —   | 27.00    | 54.00     | 11,183                    | 35.2                  | 2.3                |
| FY2022 (Forecast) | —                   | 28.00 | —   | 29.00    | 57.00     |                           | 54.4                  |                    |

## 3. Consolidated performance forecast for FY2022 (April 1, 2022 - March 31, 2023)

(Percentages indicate changes over the same period of the previous fiscal year)

|           | Net sales |     | Operating income |        | Ordinary profit |        | Profit attributable to owners of the parent |        | Basic earning per share |
|-----------|-----------|-----|------------------|--------|-----------------|--------|---|--------|-------------------------|
|           | ¥ Million | %   | ¥ Million        | %      | ¥ Million       | %      | ¥ Million                                   | %      | Yen                     |
| 1H FY2022 | 1,304,000 | 1.2 | 7,600            | (16.6) | 9,500           | (13.3) | 5,400                                       | (22.7) | 26.68                   |
| FY2022    | 2,618,000 | 1.3 | 29,500           | 1.4    | 32,800          | 0.7    | 21,200                                      | (34.1) | 104.76                  |

## \*Notes

(1) Changes in principal subsidiaries during the period  
(those changes in specified subsidiaries accompanying change in scope of consolidation) : None

(2) Changes in accounting policy, changes in accounting estimates, and restatement

- i. Change in accounting policy due to amendment of accounting standard : Yes
- ii. Change in accounting policy due to reasons other than i. : None
- iii. Change in accounting estimates : None
- iv. Restatement : None

(3) Number of outstanding shares of common stock

i. Number of shares outstanding (including treasury stock) at end of period:

As of March 31, 2022 235,017,600 shares

As of March 31, 2021 235,017,600 shares

ii. Number of treasury stock at end of period:

As of March 31, 2022 32,648,047 shares

As of March 31, 2021 23,345,329 shares

iii. Average number of outstanding shares during the period:

FY2021 209,558,852 shares

FY2020 211,673,012 shares

Note : The Company's shares held by the Board Incentive Plan trust are included in the treasury stock deducted to calculate ii and iii above.

**Summary of non-consolidated financial results for FY2021 (April 1, 2021 - March 31, 2022)**

1. Non-consolidated operating results

(Percentages indicate changes over the previous fiscal year)

|        | Net sales |        | Operating income |        | Ordinary profit |        | Profit    |        |
|--------|-----------|--------|------------------|--------|-----------------|--------|-----------|--------|
|        | ¥ Million | %      | ¥ Million        | %      | ¥ Million       | %      | ¥ Million | %      |
| FY2021 | 17,201    | (31.9) | 15,237           | (34.8) | 15,359          | (35.1) | 13,595    | (43.0) |
| FY2020 | 25,269    | (3.1)  | 23,374           | (3.7)  | 23,665          | (3.6)  | 23,872    | 7.2    |

|        | Earnings per share of common stock |         |
|--------|------------------------------------|---------|
|        | Basic                              | Diluted |
|        | Yen                                | Yen     |
| FY2021 | 64.88                              | —       |
| FY2020 | 112.78                             | —       |

2. Non-consolidated financial position

|                      | Total assets | Net assets | Owners' equity ratio | Net assets per share |
|----------------------|--------------|------------|----------------------|----------------------|
|                      | ¥ Million    | ¥ Million  | %                    | Yen                  |
| As of March 31, 2022 | 265,345      | 247,615    | 93.3                 | 1,223.58             |
| As of March 31, 2021 | 277,500      | 261,331    | 94.2                 | 1,234.61             |

Reference : Owners' equity : As of March 31, 2022 ¥ 247,615 million      As of March 31, 2021 ¥ 261,331 million

\*Summary of Consolidated Financial Statements are not required to be reviewed by an independent auditor.

\*Disclaimer regarding the Appropriate Use of Performance Forecasts and Other Notes

The forward-looking statements such as performance forecasts contained herein are forecasts based on information currently possessed by the Company and are based on certain assumptions deemed to be reasonable. Actual performance may differ substantially from these forecasts due to various factors.

## Consolidated Financial Statements

### FY2021 consolidated balance sheets

(Millions of yen)

|  | Year-end FY2020<br>(As of March 31, 2021) | Year-end FY2021<br>(As of March 31, 2022) |
|--|---|---|
| <b>(Assets)</b>                                |   |   |
| <b>Current assets</b>                          |   |   |
| Cash and deposits                              | 170,277                                   | 180,436                                   |
| Trade notes and accounts receivable            | 593,343                                   | —   |
| Trade notes receivable                         | —   | 11,836                                    |
| Accounts receivable                            | —   | 590,652                                   |
| Marketable securities                          | 59  | —   |
| Merchandise and finished goods                 | 141,702                                   | 140,156                                   |
| Work in process                                | 1,314                                     | 1,294                                     |
| Raw materials and supplies                     | 5,032                                     | 5,439                                     |
| Other receivables                              | 79,128                                    | 76,744                                    |
| Other  | 2,325                                     | 12,164                                    |
| Allowance for doubtful accounts                | (702)                                     | (2,252)                                   |
| <b>Total current assets</b>                    | <b>992,480</b>                            | <b>1,016,471</b>                          |
| <b>Non-current assets</b>                      |   |   |
| <b>Property, plant and equipment</b>           |   |   |
| Buildings and structures                       | 119,496                                   | 121,876                                   |
| Less accumulated depreciation                  | (54,745)                                  | (58,167)                                  |
| <b>Buildings and structures (net)</b>          | <b>64,751</b>                             | <b>63,708</b>                             |
| Machinery, equipment and vehicles              | 36,451                                    | 37,715                                    |
| Less accumulated depreciation                  | (19,750)                                  | (22,217)                                  |
| <b>Machinery, equipment and vehicles (net)</b> | <b>16,701</b>                             | <b>15,498</b>                             |
| Tools and fixtures                             | 13,875                                    | 14,287                                    |
| Less accumulated depreciation                  | (9,660)                                   | (10,325)                                  |
| <b>Tools and fixtures (net)</b>                | <b>4,215</b>                              | <b>3,962</b>                              |
| Land   | 66,255                                    | 70,018                                    |
| Leased assets                                  | 7,451                                     | 7,576                                     |
| Less accumulated depreciation                  | (3,367)                                   | (4,009)                                   |
| <b>Leased assets (net)</b>                     | <b>4,083</b>                              | <b>3,567</b>                              |
| Construction in progress                       | 2,936                                     | 6,003                                     |
| <b>Total property, plant and equipment</b>     | <b>158,943</b>                            | <b>162,758</b>                            |
| <b>Intangible assets</b>                       |   |   |
| Goodwill                                       | 3,476                                     | 2,913                                     |
| Leased assets                                  | 271                                       | 118                                       |
| Other  | 13,689                                    | 15,775                                    |
| <b>Total intangible assets</b>                 | <b>17,436</b>                             | <b>18,807</b>                             |
| <b>Investments and other assets</b>            |   |   |
| Investment securities                          | 127,657                                   | 87,284                                    |
| Long-term loans receivables                    | 1,458                                     | 1,228                                     |
| Deferred tax assets                            | 1,106                                     | 855                                       |
| Net defined benefit asset                      | 6,559                                     | 5,929                                     |
| Other  | 15,238                                    | 14,431                                    |
| Allowance for doubtful accounts                | (4,223)                                   | (3,774)                                   |
| <b>Total investments and other assets</b>      | <b>147,797</b>                            | <b>105,954</b>                            |
| <b>Total non-current assets</b>                | <b>324,177</b>                            | <b>287,520</b>                            |
| <b>Total assets</b>                            | <b>1,316,658</b>                          | <b>1,303,991</b>                          |

(Millions of yen)

|   | Year-end FY2020<br>(As of March 31, 2021) | Year-end FY2021<br>(As of March 31, 2022) |
|---|---|---|
| <b>(Liabilities)</b>  |   |   |
| Current liabilities   |   |   |
| Trade notes and accounts payable                                | 753,857                                   | 755,250                                   |
| Short-term borrowings   | 240                                       | 48  |
| Long-term lease obligations due within one year                 | 1,702                                     | 1,747                                     |
| Income taxes payable  | 3,895                                     | 10,922                                    |
| Allowance for employees' bonuses                                | 6,264                                     | 6,835                                     |
| Allowance for bonuses to directors                              | 332                                       | 407                                       |
| Provision for share awards                                      | —   | 44  |
| Provision for share awards for directors                        | —   | 59  |
| Allowance for sales rebates                                     | 96  | —   |
| Allowance for sales returns                                     | 540                                       | —   |
| Other   | 16,999                                    | 27,497                                    |
| Total current liabilities                                       | 783,929                                   | 802,813                                   |
| Long-term liabilities   |   |   |
| Long-term borrowings  | 389                                       | —   |
| Long-term lease obligations                                     | 3,841                                     | 3,244                                     |
| Deferred tax liabilities  | 22,155                                    | 11,614                                    |
| Deferred tax liabilities for land revaluation                   | 436                                       | 436                                       |
| Allowance for employees' bonuses                                | 84  | —   |
| Allowance for bonuses to directors                              | 117                                       | —   |
| Provision for loss on Antimonopoly Act                          | 4,567                                     | 3,994                                     |
| Net defined benefit liability                                   | 9,233                                     | 8,075                                     |
| Asset retirement obligations                                    | 947                                       | 996                                       |
| Other   | 996                                       | 980                                       |
| Total long-term liabilities                                     | 42,771                                    | 29,343                                    |
| Total liabilities   | 826,700                                   | 832,156                                   |
| <b>(Net assets)</b>   |   |   |
| Shareholders' equity  |   |   |
| Common stock  | 18,454                                    | 18,454                                    |
| Capital surplus   | 101,660                                   | 101,660                                   |
| Retained earnings   | 331,459                                   | 352,015                                   |
| Less treasury stock, at cost                                    | (29,370)                                  | (44,625)                                  |
| Total shareholders' equity                                      | 422,203                                   | 427,504                                   |
| Accumulated other comprehensive income                          |   |   |
| Unrealized gains on available-for-sale securities, net of taxes | 67,983                                    | 44,760                                    |
| Unrealized gains (losses) on deferred hedge, net of taxes       | (0)                                       | 0   |
| Revaluation reserve for land, net of taxes                      | (3,657)                                   | (3,360)                                   |
| Foreign currency translation adjustments                        | 75  | 200                                       |
| Remeasurements of defined benefit plans, net of taxes           | 3,132                                     | 2,487                                     |
| Total accumulated other comprehensive income                    | 67,533                                    | 44,088                                    |
| Non-controlling interests                                       | 221                                       | 241                                       |
| Total net assets  | 489,957                                   | 471,835                                   |
| Total liabilities and net assets                                | 1,316,658                                 | 1,303,991                                 |

## FY2021 consolidated statements of income and comprehensive income

(Millions of yen)

|   | FY2020<br>(April 1, 2020 - March 31, 2021) | FY2021<br>(April 1, 2021 - March 31, 2022) |
|---|--|--|
| Net sales   | 2,610,427                                  | 2,585,643                                  |
| Cost of sales                                       | 2,427,726                                  | 2,398,174                                  |
| Total deduction                                     | 182,700                                    | 187,468                                    |
| Reversal of allowance for returned unsold goods     | 634  | —  |
| Allowance for returned unsold goods                 | 540  | —  |
| Gross profit  | 182,794                                    | 187,468                                    |
| Selling, general and administrative expenses        | 154,864                                    | 158,377                                    |
| Operating income                                    | 27,929                                     | 29,091                                     |
| Other income  |  |  |
| Interest income                                     | 67   | 64   |
| Dividend income                                     | 2,303                                      | 2,226                                      |
| Rental income from real estate                      | 714  | 611  |
| Other   | 1,447                                      | 1,154                                      |
| Total other income                                  | 4,532                                      | 4,057                                      |
| Other expenses                                      |  |  |
| Interest expense                                    | 85   | 73   |
| Commission fees                                     | —  | 112  |
| Expense for rental property                         | 221  | 182  |
| Other   | 236  | 203  |
| Total other expenses                                | 543  | 573  |
| Ordinary profit                                     | 31,918                                     | 32,576                                     |
| Extraordinary profit                                |  |  |
| Gain on sales of property, plant and equipment      | 605  | 129  |
| Gain on sales of investment securities              | 10,831                                     | 18,921                                     |
| Total extraordinary profit                          | 11,437                                     | 19,050                                     |
| Extraordinary loss                                  |  |  |
| Loss on sales of property, plant and equipment      | 99   | 0  |
| Loss on disposal of property, plant and equipment   | 162  | 140  |
| Loss on impairment of property, plant and equipment | 880  | 967  |
| Write-down of investment securities                 | 746  | 2,164                                      |
| Merger expenses                                     | 310  | —  |
| Provision for loss on Antimonopoly Act              | 4,567                                      | —  |
| Other   | 59   | 173  |
| Total extraordinary loss                            | 6,825                                      | 3,446                                      |
| Profit before income taxes                          | 36,531                                     | 48,180                                     |
| Income taxes  |  |  |
| Current   | 11,781                                     | 15,879                                     |
| Deferred  | 257  | 97   |
| Total income taxes                                  | 12,038                                     | 15,977                                     |
| Profit  | 24,492                                     | 32,202                                     |
| Profit (loss) attributable to:                      |  |  |
| Owners of the parent                                | 24,501                                     | 32,182                                     |
| Non-controlling interests                           | (8)  | 20   |

(Millions of yen)

|   | FY2020<br>(April 1, 2020 - March 31, 2021) | FY2021<br>(April 1, 2021 - March 31, 2022) |
|---|--|--|
| Other comprehensive income  |  |  |
| Unrealized gains (losses) on available-for-sale securities,<br>net of taxes | 1,081                                      | (23,222)                                   |
| Unrealized gains (losses) on deferred hedge, net of taxes                   | (0)  | 0  |
| Foreign currency translation adjustments                                    | 10   | 125  |
| Remeasurements of defined benefit plans, net of taxes                       | 1,535                                      | (645)                                      |
| Total other comprehensive income  | 2,626                                      | (23,741)                                   |
| Comprehensive income  | 27,119                                     | 8,461                                      |
| Comprehensive income attributable to:                                       |  |  |
| Owners of the parent  | 27,127                                     | 8,440                                      |
| Non-controlling interests   | (8)  | 20   |

Full-year consolidated statements of changes in net assets  
 FY2020 (April 1, 2020 - March 31, 2021)

(Millions of yen)

|   | Shareholders' equity |                 |                   |                         |                            |
|---|----------------------|-----------------|-------------------|-------------------------|----------------------------|
|   | Common stock         | Capital surplus | Retained earnings | Treasury stock, at cost | Total shareholders' equity |
| Balance at April 1, 2020  | 18,454               | 101,958         | 317,752           | (29,368)                | 408,797                    |
| Changes during the fiscal year  |                      |                 |                   |                         |                            |
| Cash dividends paid at ¥51.00 per share   |                      |                 | (10,795)          |                         | (10,795)                   |
| Profit attributable to owners of the parent   |                      |                 | 24,501            |                         | 24,501                     |
| Treasury stock acquired   |                      |                 |                   | (2)                     | (2)                        |
| Change in the parent's equity arising from transactions with non-controlling shareholders |                      | (298)           |                   |                         | (298)                      |
| Reversal of revaluation reserve for land  |                      |                 | 0                 |                         | 0                          |
| Changes in items other than shareholders' equity during the fiscal year (net)             |                      |                 |                   |                         |                            |
| Total   | —                    | (298)           | 13,706            | (2)                     | 13,406                     |
| Balance at March 31, 2021   | 18,454               | 101,660         | 331,459           | (29,370)                | 422,203                    |

|   | Accumulated other comprehensive income                          |   |  |  |   |  | Non-controlling interests | Total net assets |
|---|---|---|--|--|---|--|---------------------------|------------------|
|   | Unrealized gains on available-for-sale securities, net of taxes | Unrealized losses on deferred hedge, net of taxes | Revaluation reserve for land, net of taxes | Foreign currency translation adjustments | Remeasurements of defined benefit plans, net of taxes | Total accumulated other comprehensive income |                           |                  |
| Balance at April 1, 2020  | 66,901  | (0)   | (3,658)                                    | 65                                       | 1,597   | 64,905                                       | 1,196                     | 474,898          |
| Changes during the fiscal year  |   |   |  |  |   |  |                           |                  |
| Cash dividends paid at ¥51.00 per share   |   |   |  |  |   |  |                           | (10,795)         |
| Profit attributable to owners of the parent   |   |   |  |  |   |  |                           | 24,501           |
| Treasury stock acquired   |   |   |  |  |   |  |                           | (2)              |
| Change in the parent's equity arising from transactions with non-controlling shareholders |   |   |  |  |   |  |                           | (298)            |
| Reversal of revaluation reserve for land  |   |   |  |  |   |  |                           | 0                |
| Changes in items other than shareholders' equity during the fiscal year (net)             | 1,081   | (0)   | 1  | 10                                       | 1,535   | 2,628  | (975)                     | 1,652            |
| Total   | 1,081   | (0)   | 1  | 10                                       | 1,535   | 2,628  | (975)                     | 15,059           |
| Balance at March 31, 2021   | 67,983  | (0)   | (3,657)                                    | 75                                       | 3,132   | 67,533                                       | 221                       | 489,957          |



FY2021 (April 1, 2021 - March 31, 2022)

(Millions of yen)

|   | Shareholders' equity |                 |                   |                         |                            |
|---|----------------------|-----------------|-------------------|-------------------------|----------------------------|
|   | Common stock         | Capital surplus | Retained earnings | Treasury stock, at cost | Total shareholders' equity |
| Balance at April 1, 2021  | 18,454               | 101,660         | 331,459           | (29,370)                | 422,203                    |
| Cumulative effects of changes in the accounting policy                        |                      |                 | (69)              |                         | (69)                       |
| Restated balance  | 18,454               | 101,660         | 331,390           | (29,370)                | 422,134                    |
| Changes during the fiscal year  |                      |                 |                   |                         |                            |
| Cash dividends paid at ¥54.00 per share                                       |                      |                 | (11,430)          |                         | (11,430)                   |
| Profit attributable to owners of the parent                                   |                      |                 | 32,182            |                         | 32,182                     |
| Treasury stock acquired   |                      |                 |                   | (15,254)                | (15,254)                   |
| Sales of treasury stock   |                      | (0)             |                   | 0                       | 0                          |
| Increase by merger  |                      |                 | 169               |                         | 169                        |
| Reversal of revaluation reserve for land                                      |                      |                 | (296)             |                         | (296)                      |
| Changes in items other than shareholders' equity during the fiscal year (net) |                      |                 |                   |                         |                            |
| Total   | —                    | (0)             | 20,625            | (15,254)                | 5,370                      |
| Balance at March 31, 2022   | 18,454               | 101,660         | 352,015           | (44,625)                | 427,504                    |

|   | Accumulated other comprehensive income                                   |   |  |  |   |  | Non-controlling interests | Total net assets |
|---|--|---|--|--|---|--|---------------------------|------------------|
|   | Unrealized gains (losses) on available-for-sale securities, net of taxes | Unrealized gains (losses) on deferred hedge, net of taxes | Revaluation reserve for land, net of taxes | Foreign currency translation adjustments | Remeasurements of defined benefit plans, net of taxes | Total accumulated other comprehensive income |                           |                  |
| Balance at April 1, 2021  | 67,983   | (0)   | (3,657)                                    | 75                                       | 3,132   | 67,533                                       | 221                       | 489,957          |
| Cumulative effects of changes in the accounting policy                        |  |   |  |  |   |  |                           | (69)             |
| Restated balance  | 67,983   | (0)   | (3,657)                                    | 75                                       | 3,132   | 67,533                                       | 221                       | 489,888          |
| Changes during the fiscal year  |  |   |  |  |   |  |                           |                  |
| Cash dividends paid at ¥54.00 per share                                       |  |   |  |  |   |  |                           | (11,430)         |
| Profit attributable to owners of the parent                                   |  |   |  |  |   |  |                           | 32,182           |
| Treasury stock acquired   |  |   |  |  |   |  |                           | (15,254)         |
| Sales of treasury stock   |  |   |  |  |   |  |                           | 0                |
| Increase by merger  |  |   |  |  |   |  |                           | 169              |
| Reversal of revaluation reserve for land                                      |  |   |  |  |   |  |                           | (296)            |
| Changes in items other than shareholders' equity during the fiscal year (net) | (23,222)   | 0   | 296  | 125                                      | (645)   | (23,444)                                     | 20                        | (23,424)         |
| Total   | (23,222)   | 0   | 296  | 125                                      | (645)   | (23,444)                                     | 20                        | (18,053)         |
| Balance at March 31, 2022   | 44,760   | 0   | (3,360)                                    | 200                                      | 2,487   | 44,088                                       | 241                       | 471,835          |

FY2021 consolidated statements of cash flows

(Millions of yen)

|   | FY2020<br>(April 1, 2020 - March 31, 2021) | FY2021<br>(April 1, 2021 - March 31, 2022) |
|---|--|--|
| Cash flows from operating activities                      |  |  |
| Profit before income taxes                                | 36,531                                     | 48,180                                     |
| Depreciation and amortization                             | 11,241                                     | 12,200                                     |
| Loss on impairment of property, plant and equipment       | 880  | 967  |
| Amortization of goodwill                                  | 627  | 624  |
| Increase (decrease) in allowance for doubtful accounts    | (977)                                      | 1,099                                      |
| Increase (decrease) in allowance for employees' bonuses   | (1,209)                                    | 454  |
| Increase (decrease) in allowance for bonuses to directors | 39   | (42)                                       |
| Decrease in net defined benefit liability                 | (1,568)                                    | (1,502)                                    |
| Interest and dividend income                              | (2,370)                                    | (2,290)                                    |
| Interest expense  | 85   | 73   |
| Gain on sales of property, plant and equipment, net       | (506)                                      | (128)                                      |
| Loss on disposal of property, plant and equipment         | 162  | 140  |
| Gain on sales of investment securities, net               | (10,772)                                   | (18,817)                                   |
| Write-down of investment securities                       | 746  | 2,164                                      |
| Merger expenses   | 310  | —  |
| (Increase) decrease in trade receivables                  | 4,408                                      | (7,977)                                    |
| (Increase) decrease in inventories                        | 933  | 1,648                                      |
| (Increase) decrease in other receivables                  | (221)                                      | 509  |
| Increase (decrease) in trade payables                     | (44,958)                                   | 951  |
| Other, net  | 1,227                                      | 5,092                                      |
| Subtotal  | (5,390)                                    | 43,349                                     |
| Interest and dividends received                           | 2,371                                      | 2,290                                      |
| Interest paid   | (85)                                       | (73)                                       |
| Income taxes paid   | (18,086)                                   | (9,020)                                    |
| Net cash provided by used in operating activities         | (21,191)                                   | 36,546                                     |

(Millions of yen)

|  | FY2020<br>(April 1, 2020 - March 31, 2021) | FY2021<br>(April 1, 2021 - March 31, 2022) |
|--|--|--|
| Cash flows from investing activities   |  |  |
| Payments into time deposits  | (1,093)                                    | (964)                                      |
| Proceeds from maturity of time deposits  | 1,009                                      | 939  |
| Payments for purchase of property, plant and equipment                             | (15,054)                                   | (15,002)                                   |
| Proceeds from sale of property, plant and equipment                                | 1,759                                      | 386  |
| Payments for purchase of intangible assets   | (3,157)                                    | (1,986)                                    |
| Payments for acquisition of long-term prepaid expense                              | (820)                                      | (221)                                      |
| Payments for purchase of investment securities                                     | (2,236)                                    | (1,279)                                    |
| Proceeds from sales of investment securities                                       | 14,687                                     | 24,977                                     |
| Proceeds from redemption of securities   | 10   | 59   |
| Advances of loans receivable   | (55)                                       | (143)                                      |
| Repayments of loans receivable   | 266  | 172  |
| Payments for acquisition of businesses   | —  | (4,584)                                    |
| Other, net   | (48)                                       | (49)                                       |
| Net cash used in investing activities  | (4,732)                                    | 2,304                                      |
| Cash flows from financing activities   |  |  |
| Net decrease in short-term borrowings  | (250)                                      | —  |
| Repayments of long-term borrowings   | (320)                                      | (581)                                      |
| Repayments of lease obligations  | (1,831)                                    | (1,885)                                    |
| Payments for purchase of treasury stock  | (2)  | (15,254)                                   |
| Proceeds from sales of treasury stock  | —  | 0  |
| Cash dividends paid  | (10,795)                                   | (11,430)                                   |
| Dividends paid to non-controlling interests  | (6)  | —  |
| Purchase of shares of subsidiary not resulting in change in scope of consolidation | (1,265)                                    | —  |
| Net cash used in financing activities  | (14,472)                                   | (29,151)                                   |
| Foreign currency translation gain on cash and cash equivalents                     | 4  | 67   |
| Net increase (decrease) in cash and cash equivalents                               | (40,391)                                   | 9,765                                      |
| Cash and cash equivalents at beginning of the year                                 | 209,264                                    | 169,060                                    |
| Increase in cash and cash equivalents resulting from merger                        | 187  | 282  |
| Cash and cash equivalents at end of the year                                       | 169,060                                    | 179,108                                    |